GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:539
ANSWERED ON:11.04.2017
Disbursal of Fertilizer Subsidy
Roy Prof. Saugata

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Government has any proposal to disburse subsidy only after the sale of fertilizers to the farmers had taken place;

(b) if so, the details thereof along with the objective of the said proposal;

(c) whether the said move is likely to avoid un-deserved distribution of the subsidy; and

(d) if so, the details thereof ?

Answer

MINISTER OF CHEMICALS & FERILIZERS AND PARLIAMENTAY AFFAIRS

(SHRI ANANTH KUMAR)

(a) & (d): A statement is laid on the table of the House.

STATEMENT REFERRED TO IN PART (A) TO (D) OF LOK SABHA STARRED QUESTION NO. 539* TO BE ANSWERED ON 11.04.2017 REGARDING "DISBURSAL OF FERTILIZER SUBSIDY" ASKED BY PROF. SAUGATA ROY.

(a) & (b): Yes, Sir. The Government has launched Direct Benefit Transfer (DBT) scheme for fertilizer subsidy which is under implementation in 19 Districts of pilot basis. Under the proposed fertilizer DBT system, 100% subsidy on various fertilizer grades shall be released to the fertilizer companies, on the basis of actual sales made by the retailers to the beneficiaries on designated dates, four times in a month. Sale of all subsidized fertilizers to farmers/buyers will be made though Point of Sale (PoS) devices installed at each retailer shop and the beneficiaries will be identified through Aadhaar Card or Kisan Credit Card or Voter ID Card.

The main objectives of the proposal is to streamline fertilizer distribution, improve availability of fertilizers to farmers, curtail diversion of fertilizers and overcharging by retailers.

(c) & (d): Yes, Sir. DBT in fertilizers will avoid un-deserved distribution of the subsidy as the sales of fertilizers would now be encouraged through Aadhaar based Biometric Authentication. Moreover, the subsidy will be released to the fertilizer companies on the basis of actual sales made by retailers to the farmers through PoS devices. This will also reduce diversion.

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